

North Carolina

Climate Action Plan Advisory Group

Activity Update to the Legislative Commission on Global Climate Change

October 3, 2006



Topics

- Update on activities of the North Carolina Climate Action Planning Advisory Group (CAPAG) and Technical Work Groups (TWGs)
 - Review of activities to date
 - Discussion of current draft mitigation options for analysis
 - Discussion of next steps, using one sample option

Participants

- CAPAG Members (45)
- LCGCC Members on the CAPAG (11)
- TWG Members:
 - Residential, Commercial and Industrial (18)
 - Energy Supply (18)
 - Transportation and Land Use (18)
 - Agriculture, Forestry and Waste (18)
 - Cross Cutting Issues (14)

Meetings

- CAPAG Meetings Held to Date (February, May, July 2006) (3)
- CAPAG Meetings to be Held (October 2006; January, May 2007) (3)
- TWG Meetings Held to Date (41)
- TWG Meetings to be Held (October 2006 - May 2007) (~ 40)
- Additional Meetings of the CAPAG and or TWGs After May 2007 (TBD)

Draft Mitigation Options

- Original Number of Potential Options Presented to the CAPAG from the CCS Catalog of States Actions (251)
- Updated Number of Potential Options on the CCS Catalog of States Actions, Including CAPAG Additions from the Clean Smokestacks Act, State Energy Plan, Etc. (307)
- Current Number of “Priority for Analysis” Draft Potential Mitigation Options for Analysis (52)
 - Residential, Commercial and Industrial (11)
 - Energy Supply (10)
 - Transportation and Land Use (13)
 - Agriculture, Forestry and Waste (12)
 - Cross Cutting Issues (6)

LCGCC Participants on the CAPAG and TWGs

- Dr. Delores “Dee” Eggers - CC
- Tim Tobin - ES
- Ivan Irlaub - ES
- Tom Cecich - CC
- George Everett - ES
- Vickie Will - ES
- Preston Howard - ES
- Mitch Peele - AFW
- Robert Slocum - AFW
- Michael Shore - CC, ES, TLU
- Steven Smith - CC, AFW, ES
- James Stevenson - CC

Residential, Commercial, Industrial

- RCI-1 Demand Side Management Programs for the Residential, Commercial and Industrial Sectors
- RCI-2 Expand Energy Efficiency Funds
- RCI-3 Energy Efficiency Requirements
- RCI-4 Market Transformation and Technology Development Programs
- RCI-5 Improved Appliance and Equipment Efficiency Standards
- RCI-6 Building Energy Codes
- RCI-7 “Beyond Code” Building Design Incentives and Mandatory Programs, Incorporating Local Building Materials and Advanced Construction
- RCI-8 Education (Consumer, Primary/Secondary, Post-Secondary/ Specialist, College and University Programs)
- RCI-9 Green Power Purchasing (required for state facilities) and Bulk Purchasing Programs for Energy Efficiency or Other Equipment
- RCI-10 Distributed Renewable and Clean Fossil Fuel Power Generation
- RCI-11 Residential, Commercial, and Industrial Energy and Emissions Audits and Recommended Measure Implementation

Energy Supply

- ES-1 Renewable Energy Incentives (biomass, wind, solar, geothermal, hydro)
- ES-2 Environmental Portfolio Standard (renewables and energy efficiency) with renewable energy credit trading
- ES-3 Removing barriers to CHP and clean DG (including utility rate and interconnection barriers, financing, information, etc.)
- ES-4 CO2 tax and/or cap-and-trade (including covering sources including fossil, renewable, and nuclear on life-cycle basis)
- ES-5 Legislative changes requiring the NC Utility Commission to
- Consider environmental and other factors
- ES-6 Incentives for advanced coal, including IGCC and carbon capture and storage (CCS)
- ES-7 Public Benefit Charge on electricity bills for funding efficiency activities
- ES-8 Waste to Energy
- ES-9 Incentives for combined heat and power (CHP) and clean DG
- ES-10 NC Greenpower renewable resources program

Transportation

- TLU-1 Smart Growth Bundle
- TLU-2 Improve Transit Bundle
- TLU-3 Feebates
- TLU-4 VMT Fee
- TLU-5 Truck Stop Electrification (TSE)
- TLU-6 Tailpipe GHG Standards
- TLU-7 Biofuels Bundle
- TLU-8 Procurement of Efficient Fleet Vehicles
- TLU-9 Anti-Idling
- TLU-10 Diesel Retrofits
- TLU-11 Fuel Tax
- TLU-12 Pay as You Drive Insurance
- TLU-13 Incentives for Advanced Technology Vehicles

Agriculture, Forestry & Waste Management

- AFW-1 Manure Digesters/Other Waste Energy Utilization
- AFW-2 Biodiesel Production (incentives for feedstocks and production plants)
- AFW-3 Conservation Tillage/No-Till (carbon sequestration and reduced energy use)
- AFW-4 Preserve Open Space/Agricultural Land
- AFW-5 Agricultural Biomass Feedstocks for Electricity or Steam Production
- AFW-6 Policies to Promote Ethanol Production
- AFW-7 Forest Protection – Reduced Clearing and Conversion to Nonforest Cover
- AFW-8 Afforestation and/or Restoration of Nonforested Lands
- AFW- 9 &10 Expanded Use of Forest Biomass for Electricity, Heating and Liquid Fuels
- AFW-11 Landfill Methane and Biogas Energy Programs
- AFW-12 Increased Recycling Infrastructure and Collection

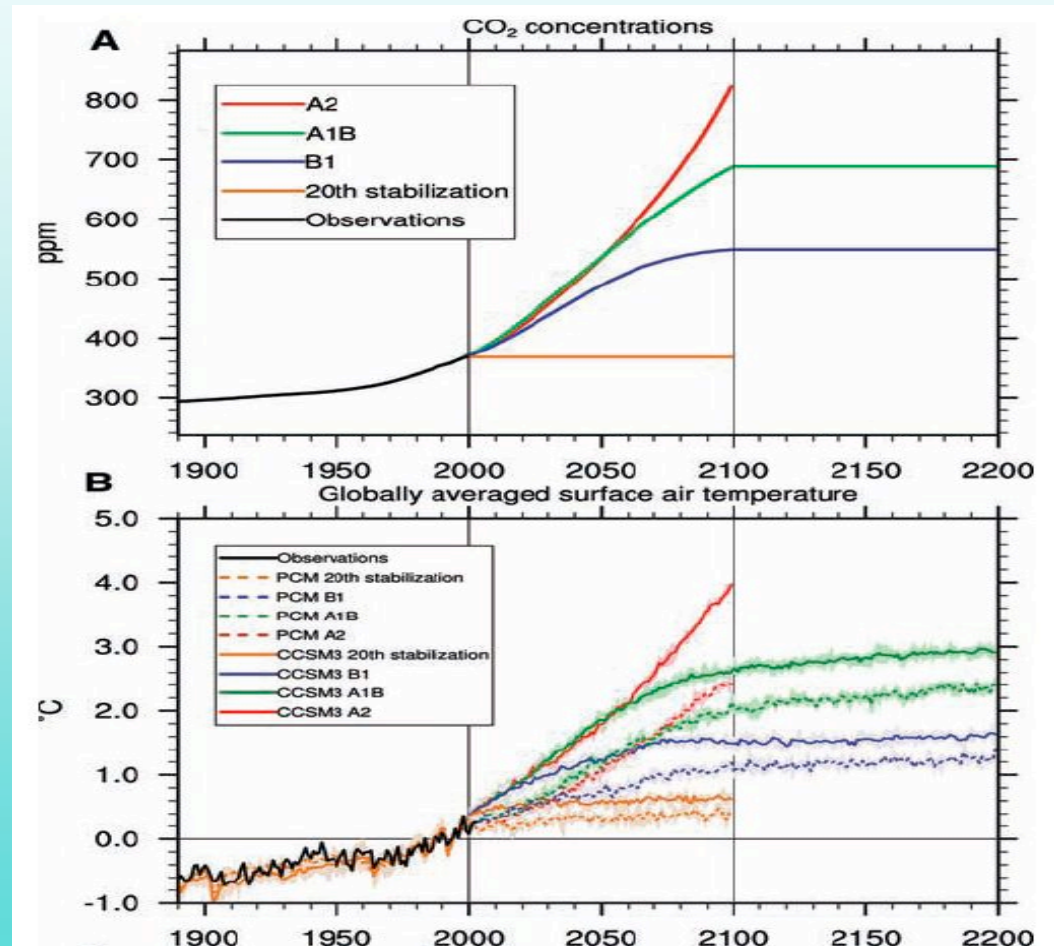
Cross Cutting Issues

- CC-1 GHG Inventories and Forecasts
- CC-2 GHG Reporting
- CC-3 GHG Registry
- CC-4 Public Education and Outreach
- CC-5 Adaptation
- CC-6 Options for Goals or Targets (in support of LCGCC)

High v. Low GHG Scenarios

Carbon Dioxide
Concentration

Warming (°C)

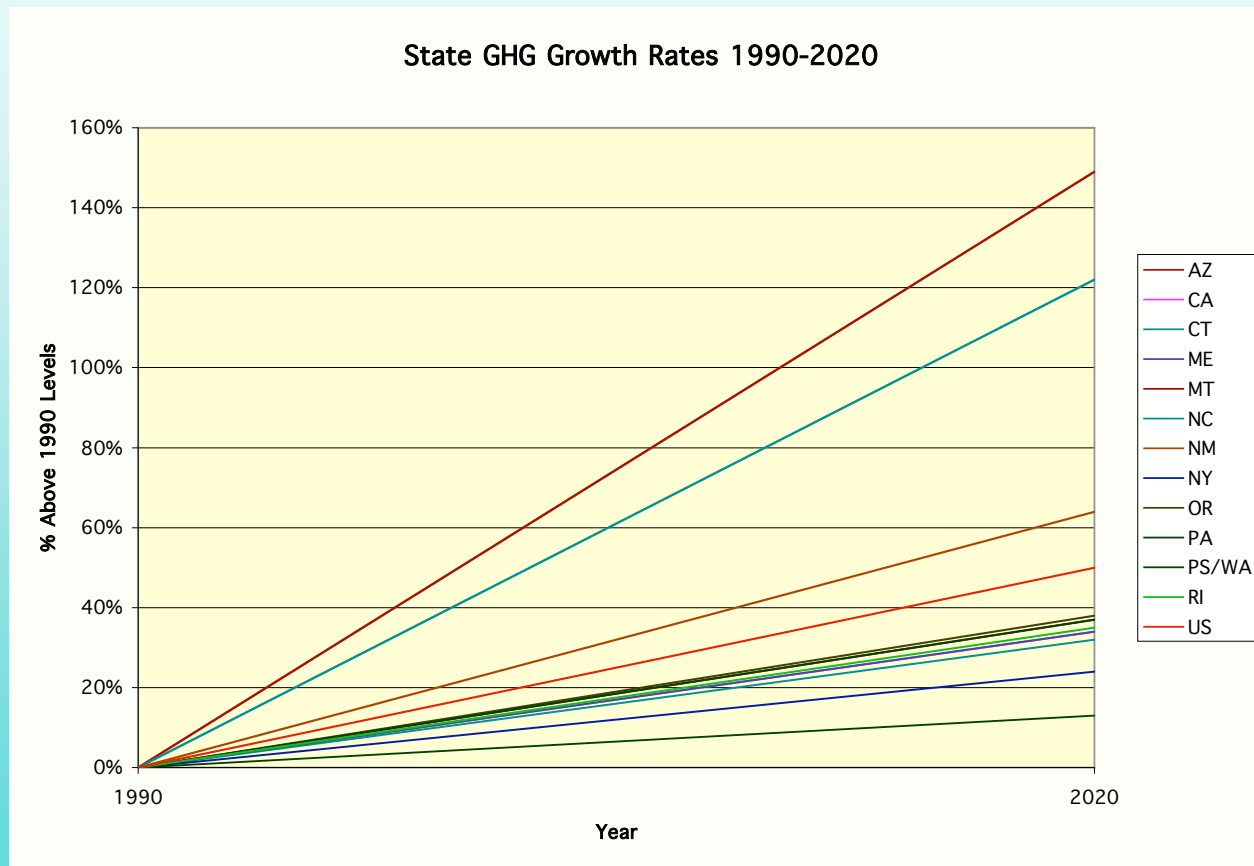


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12

State GHG Growth Rates



Closing the Emissions Gap



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14

State Climate Goals

State	1990-2020 GHG Forecast	State Goals	Climate Plan Coverage
Arizona	149%	2000 levels by 2020; 50% below by 2040	106%
California	34%	- E.O.: 2000 level by 2010; 10% below by 2020; 80% by 2050 - AB-32: 1990 levels by 2020	TBD
Connecticut	32%	1990 level by 2010; 10% below by 2020; 75-85% ultimately	100%
Massachusetts	?	1990 level by 2010; 10% below by 2020; 75-85% ultimately	?
Maine	34%	1990 level by 2010; 10% below by 2020; 75-85% ultimately	100%
North Carolina	113%	?	TBD
NEG/ECP	?	1990 level by 2010; 10% below by 2020; 75-85% ultimately	TBD
New Jersey	?	5% below 1990 by 2005	100%
New Mexico	48-64%	2000 level by 2012; 10% below by 2020; 75% by 2050	TBD
New York	24%	5% below 1990 by 2010	?
Oregon	38%	1990 level by 2010; 10% below by 2020; 75% by 2100	85%
Puget Sound	37%	1990 level by 2010; 10% below by 2020; 75% by 2100	100%
Rhode Island	35%	1990 level by 2010; 10% below by 2020; 75-85% ultimately	100%

Next Steps - Sample Draft Mitigation Option

- Mitigation Option Description
- Mitigation Option Design
- Implementation Mechanisms
- Related Policies/Programs in Place
- Type(s) of GHG Reductions
- Estimated GHG Savings and Costs per MtCO₂e
- Key Uncertainties
- Additional Benefits and Costs
- Feasibility Issues
- Status of Group Approval
- Level of Group Support
- Barriers to Consensus